

Sonoma County Economic Forecast

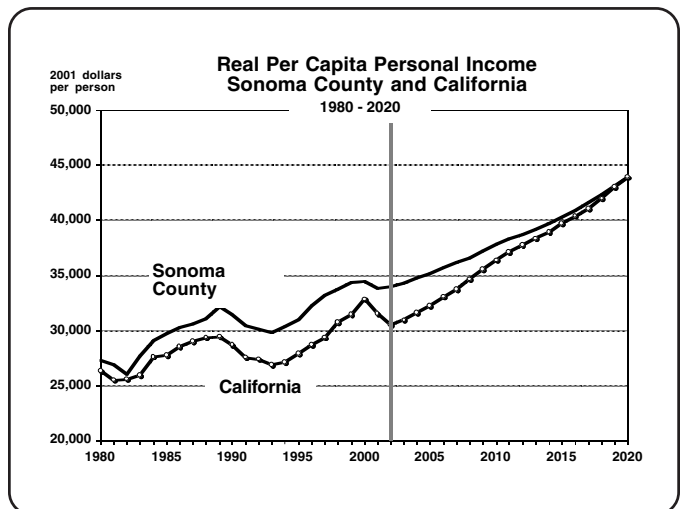
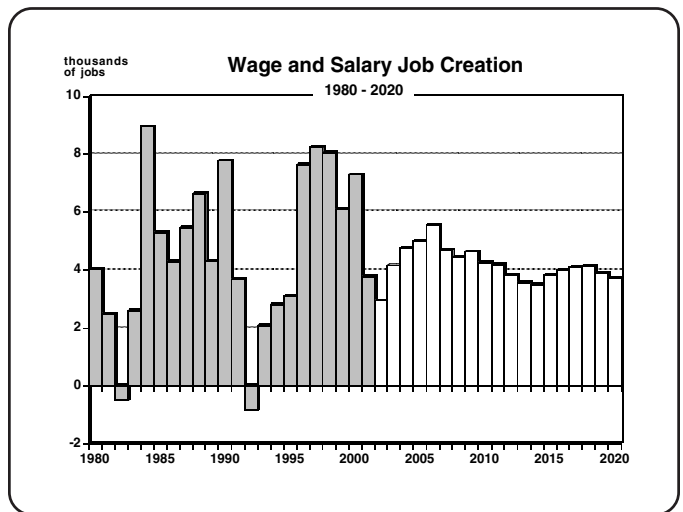
Sonoma County is a member of the nine-county Bay Area region, contributing 6.6 percent of the population and 5.5 percent of total wage and salary employment. Sonoma County is known for its wine grape region and world class wines. Consequently, it is a principal tourist destination in California, together with adjacent Napa County.

The County's population currently ranks as the 16th largest in California, at 471,000. The principal employment sectors are wholesale and retail trade, healthcare services, local education, construction, scientific instruments manufacturing, and food manufacturing. Since 1996 the median price of a home in the County has increased sharply, from \$187,000 to \$322,600 in 2001.

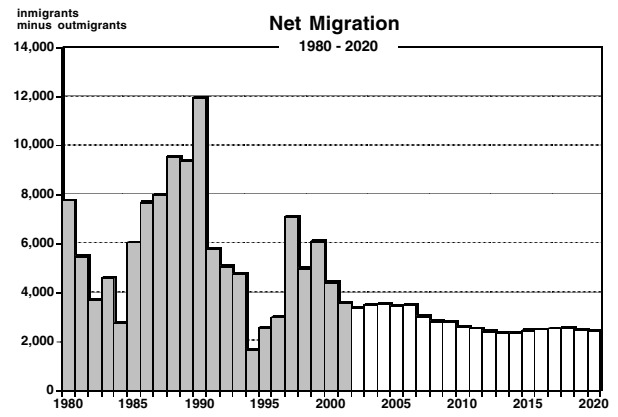
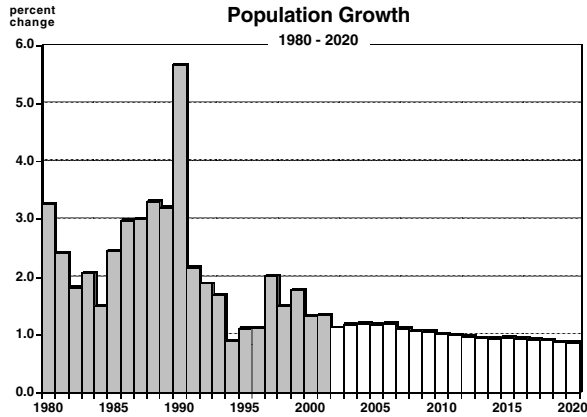
Sonoma County has recorded impressive job growth since 1995, creating 41,000 jobs, and increase of 26 percent. The annual growth rate averaged 4.4 percent. Slower job growth is forecast in 2002 and thereafter, because of limited housing and slower population growth. In general, the Bay Area economies will experience more moderate economic growth over the forecast.

Forecast Highlights

- Non-farm employment growth will average 2.1 percent per year through 2007. Farm employment growth will average 2.5 percent per year. The farm sector remains healthy and vibrant due in large part to the increasing demand for wine grapes and premium wine by the aging U.S. population.
- Both durable and non-durable manufacturing employment are forecast to add jobs at a 3 percent rate between 2002 and 2007. Beverage bottling capacity will continue to expand through the decade. The services sector is expected to remain the dominant employment sector, contributing 28 per-cent of all wage and salary jobs in Sonoma County. Employment in services is expected to grow at a 2.8 percent annual compound rate of growth.
- Real per capita income is the ratio of total personal income to population, adjusted for inflation. Real per capita personal income is forecast to rise just 1.3 percent over the next 5 years. This rate of growth is less than the rate for the entire state of California.



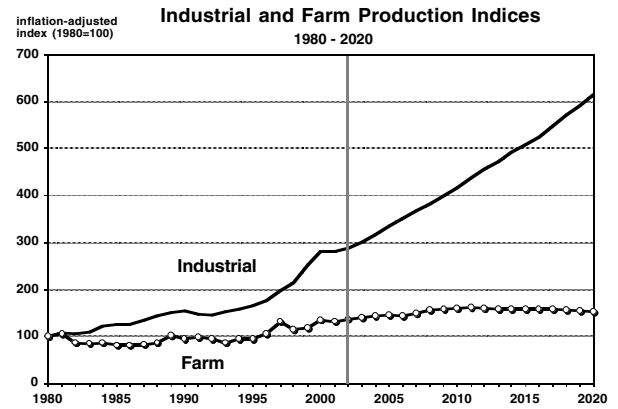
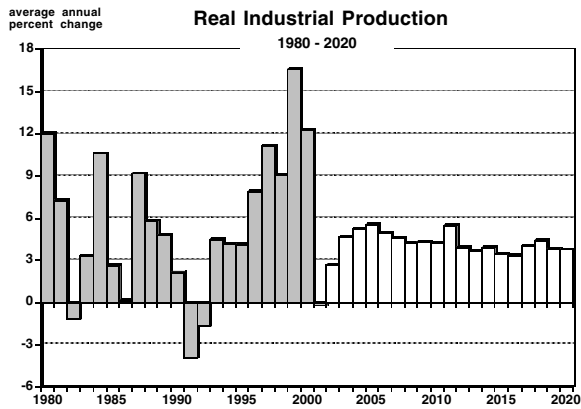
- Taxable retail sales are forecast to grow at an inflation-adjusted average annual rate of 2.2 percent over the next 5 years. The rate is consistent with slower increases in personal income.
- Median home selling prices are expected to rise 3.1 percent per year, adjusted for inflation. Housing is still relatively affordable in the County, relative to other Bay Area Counties, and less production of new housing will put pressure on home prices.



Sonoma County Economic Forecast

1995-2001 History, 2002-2020 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	430,400	2,592	398	160.6	1,927	\$3.0	\$10.6	\$30,991	\$340	\$2.7
1996	435,200	3,013	404	162.2	1,464	\$3.2	\$11.4	\$32,257	\$387	\$2.9
1997	444,000	7,098	390	163.8	2,121	\$3.4	\$12.4	\$33,236	\$504	\$3.2
1998	450,700	5,011	417	165.3	2,964	\$3.6	\$13.1	\$33,719	\$451	\$3.5
1999	458,700	6,136	431	167.2	3,052	\$4.1	\$14.2	\$34,364	\$480	\$4.1
2000	464,800	4,425	454	171.6	2,555	\$4.6	\$15.1	\$34,438	\$581	\$4.6
2001	471,092	3,600	456	174.2	2,566	\$4.9	\$15.9	\$33,856	\$600	\$4.6
2002	476,429	3,355	458	174.6	2,416	\$5.2	\$16.7	\$33,953	\$640	\$4.7
2003	482,087	3,527	465	176.9	2,458	\$5.4	\$17.6	\$34,253	\$681	\$5.0
2004	487,906	3,565	474	179.2	2,443	\$5.7	\$18.6	\$34,801	\$717	\$5.2
2005	493,733	3,473	482	181.5	2,603	\$6.0	\$19.6	\$35,186	\$744	\$5.5
2006	499,674	3,523	491	184.0	2,485	\$6.3	\$20.7	\$35,742	\$762	\$5.8
2007	505,206	3,048	500	186.4	2,286	\$6.6	\$21.8	\$36,158	\$804	\$6.0
2008	510,583	2,840	507	188.6	2,283	\$7.0	\$22.9	\$36,662	\$865	\$6.3
2009	515,996	2,826	515	190.8	2,383	\$7.3	\$24.1	\$37,230	\$903	\$6.6
2010	521,239	2,623	523	193.0	2,439	\$7.7	\$25.5	\$37,808	\$939	\$6.8
2011	526,435	2,557	530	195.4	2,310	\$8.1	\$26.8	\$38,309	\$972	\$7.2
2012	531,538	2,443	537	197.6	2,229	\$8.5	\$28.1	\$38,713	\$993	\$7.5
2013	536,606	2,382	544	199.7	2,200	\$8.9	\$29.6	\$39,197	\$1,009	\$7.8
2014	541,685	2,373	550	201.8	2,176	\$9.3	\$31.1	\$39,690	\$1,036	\$8.1
2015	546,855	2,480	557	203.8	2,211	\$9.8	\$32.8	\$40,309	\$1,067	\$8.4
2016	552,021	2,527	564	206.0	2,246	\$10.3	\$34.6	\$40,950	\$1,100	\$8.6
2017	557,155	2,550	571	208.1	2,236	\$10.8	\$36.5	\$41,606	\$1,128	\$9.0
2018	562,262	2,572	578	210.2	2,295	\$11.4	\$38.5	\$42,354	\$1,146	\$9.4
2019	567,248	2,486	585	212.4	2,363	\$12.0	\$40.7	\$43,152	\$1,162	\$9.7
2020	572,175	2,452	592	214.7	2,363	\$12.6	\$42.9	\$43,919	\$1,179	\$10.1

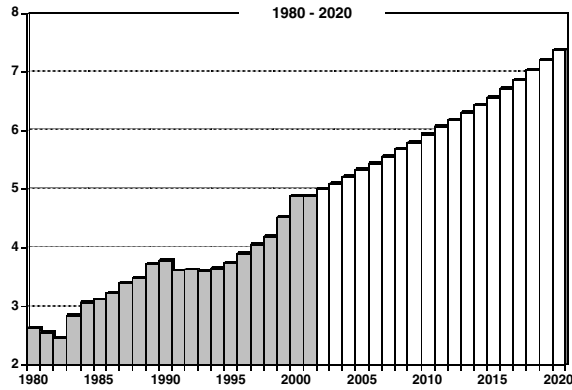


Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----									
156	5.5	7.5	0.5	21.9	5.7	38.6	9.8	41.3	25.1
163	5.8	8.3	0.5	23.6	5.9	40.4	9.5	44.4	25.0
172	6.2	9.3	0.5	26.1	6.1	41.3	9.6	47.4	25.2
180	6.5	10.2	0.4	28.1	6.4	42.6	9.9	49.7	25.6
186	6.4	12.1	0.4	29.6	6.2	42.3	10.3	51.8	26.6
193	6.9	13.1	0.4	31.8	6.3	42.7	10.4	53.8	27.6
197	7.0	13.4	0.3	32.3	6.4	43.5	10.7	55.2	28.0
200	6.9	13.2	0.3	32.7	6.4	44.5	11.0	56.4	28.3
204	7.0	13.1	0.3	33.7	6.5	45.5	11.3	57.9	28.7
209	7.2	13.3	0.2	34.8	6.5	46.5	11.6	59.5	29.0
214	7.6	13.5	0.2	35.9	6.6	47.5	11.9	61.2	29.3
219	8.0	14.0	0.2	37.0	6.7	48.4	12.2	63.0	29.8
224	7.8	14.2	0.2	38.1	6.8	49.3	12.5	64.8	30.1
228	7.6	14.4	0.2	39.3	6.9	50.2	12.8	66.5	30.5
233	7.9	14.5	0.2	40.4	6.9	51.1	13.2	68.0	30.8
237	8.0	14.4	0.2	41.5	7.0	51.9	13.5	69.6	31.2
241	8.1	14.5	0.2	42.5	7.0	52.7	13.9	71.0	31.5
245	8.2	14.4	0.2	43.5	7.0	53.5	14.2	72.2	31.9
249	8.3	14.2	0.2	44.5	7.1	54.3	14.5	73.4	32.2
252	8.2	14.0	0.2	45.5	7.1	55.1	14.9	74.7	32.5
256	8.2	14.0	0.2	46.6	7.2	55.9	15.2	76.0	32.9
260	8.2	14.1	0.2	47.6	7.2	56.6	15.6	77.3	33.2
264	8.3	14.3	0.2	48.6	7.3	57.4	15.9	78.6	33.6
268	8.4	14.5	0.2	49.7	7.3	58.1	16.3	79.9	34.0
272	8.4	14.5	0.2	50.8	7.4	58.9	16.7	81.0	34.4
276	8.4	14.5	0.2	51.8	7.4	59.6	17.0	82.0	34.9

billions of
2001 dollars

Real Taxable Retail Sales

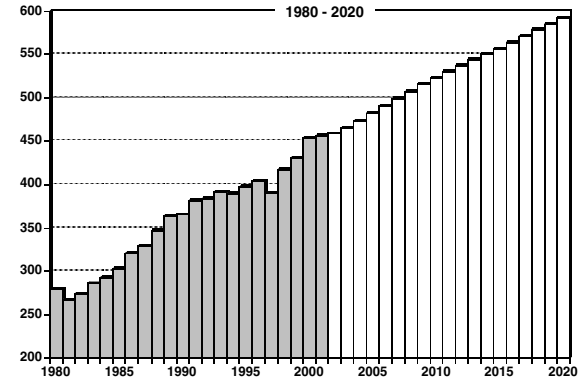
1980 - 2020



thousands of
vehicles

Total Registered Vehicles

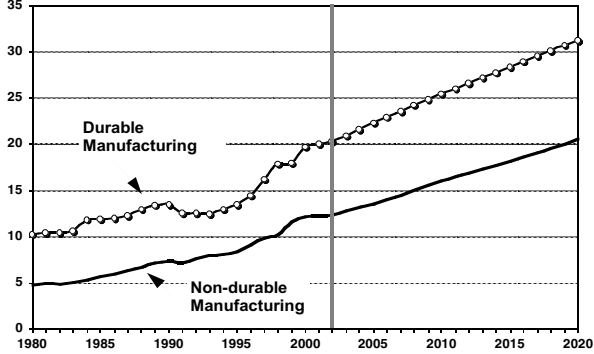
1980 - 2020



thousands of
jobs

Employment in Manufacturing

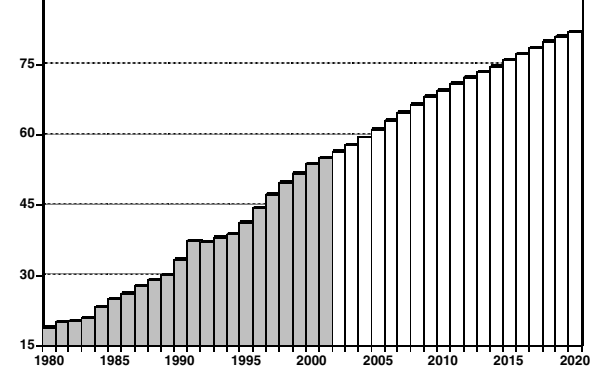
1980 - 2020



thousands of
jobs

Employment in Services

1980 - 2020



2001 dollars
per worker

Real Earnings per Worker Sonoma County and California

1980 - 2020

